

The complaint

Mr G is unhappy that American Express Services Europe Limited ('Amex') closed his charge card account without warning, causing him to lose out on reward points he'd accumulated. He's also unhappy they are delaying in refunding an overpayment to him.

What happened

The complaint circumstances are well known to both parties, so I don't intend to list this chronologically and in detail. However, to summarise, Mr G had a charge card account with Amex. He moved from Spain to the USA, which breached the terms of the agreement, so, on 25 April 2024, Amex wrote to him, giving him 62 days' notice of their intention to terminate the account. This letter also confirmed that any unused reward points would be forfeited 30-days after the account was closed.

The account was closed on 3 July 2024, with an outstanding balance of almost \$12,000. On 5 July 2024, Mr G sent Amex \$26,000, substantially overpaying the outstanding balance by more than \$14,000. The reward points weren't used within 30-days of the account closure.

Unhappy with what had happened, Mr G complained to Amex, saying he hadn't received the notice of termination. Amex didn't uphold the complaint, as they thought they'd given Mr G sufficient notice of the closure. However, as a gesture of goodwill, they refunded him \$80 to compensate him for the loss of value of the reward points he'd earned when the account was closed.

Unhappy with this response, on 3 October 2024 Mr G brought his complaint to the Financial Ombudsman Service for investigation.

On 28 October 2024, after receiving a request from Mr G to refund the overpayment, Amex wrote to him and explained what documentation they would need from him in order to process the refund. To date, they say that Mr G hasn't provided all this information.

After considering all the evidence, our investigator thought that Amex had acted reasonably in terminating the account, and by paying Mr G the \$80 compensation for the lost reward points. However, they said that, in order to be able to process the refund, Mr G would need to provide Amex with the documentation they required, specifically listing what this was.

Mr G didn't accept the investigator's opinion. He didn't think Amex had acted reasonably as they hadn't refunded the overpayment and he'd lost out on an investment opportunity as a result. He also felt that he'd provided Amex with everything they'd asked for. So, he asked that this matter be passed to an ombudsman to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I've reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mr G was provided with a charge card by Amex. This is a regulated consumer credit agreement which means we're able to investigate complaints about it.

I've seen the terms and conditions of the account Mr G had with Amex, and these clearly state *"your residential address can't be changed to an address that is not on our acceptable countries list."* The USA is not on the list of countries where the cardholder must reside to be able to continue to use the card, so, by moving to the USA, Mr G was in breach of the card's conditions and Amex were reasonable in sending him a termination letter.

The termination notice was also sent in line with the terms of the agreement, and Mr G was given 62-days' notice of the termination, and a further 30-days' notice of the forfeiture of the reward points. It's not disputed that Mr G most likely didn't receive this letter, which is why Amex paid him the nominal value of the reward points he'd accumulated. I think this was reasonable in the circumstances.

However, I don't think that not receiving the letter means that Amex should reopen the account – by Mr G breaching the terms they are entitled to close the account regardless of whether Mr G received the termination notice or not. So, I won't be asking Amex to reopen the account or further compensate Mr G for this.

Turning to the substantial overpayment Mr G paid in July 2024, and his request for a refund of this amount in October 2024. On 28 October 2024, Amex made it clear to Mr G what documentation would be needed in order to process this refund. And, while Mr G says he's provided this to Amex, I haven't seen any evidence that's the case – I haven't seen anything to show me that, for example, Mr G has ever completed the third-party payee form or provided Amex with the requested relevant valid identity documents.

It's not our role to tell financial businesses what processes they must put in place. As such, I'm unable to direct Amex to refund the overpayment without Mr G having provided them with the documentation they require. So, and while I appreciate this will come as a disappointment to Mr G, I won't be asking Amex to do anything more. However, once they are in receipt of all the documentation they've asked for to enable them to process the refund, I would expect them to do this without undue delay.

My final decision

For the reasons explained, I don't uphold Mr G's complaint about American Express Services Europe Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 16 March 2026.

Andrew Burford
Ombudsman